

Washington – Congressman Earl Blumenauer (OR-3), a member of the House Ways and Means Committee, gave the following statement after a Committee markup on Republican legislation that would weaken unemployment insurance by taking trust fund money and redirecting it to states for a variety of uses:

“I strongly oppose this legislation, which undermines the system of unemployment benefits that protects our most vulnerable citizens, provides a safety net to guard our families from destitution, and strengthens our economy by supporting workers as they search for work.

“Congress has never discontinued federal employment benefits while the unemployment rate was over 7.4%. While the economy has begun to improve, Congress should not break that precedent now, when millions of families are still struggling to find work.

“The nonpartisan Congressional Budget Office finds that of the policies articulated in this legislation – the likely removal of benefits from beneficiaries and the use of those benefits to instead repay state-held loans to the federal government or to create job retraining programs – the continuation of unemployment insurance creates the biggest “bang for the buck” in terms of job creation. The \$40 billion in economic activity generated by existing program of unemployment insurance creates around 322,000 jobs.

“Putting cash in the hands of unemployed workers generates more economic activity than any other option: as families still must spend on necessities, it results in more consumption of goods and services produced by private-sector businesses, generating more economic activity by their suppliers and contractors.

“My state has over 73,000 people out of work who are depending on these programs. Around the country, there are more than 4 million people out of work. These programs are vitally important to these citizens and to their families. I oppose the wholesale elimination of these programs and the transformation of the federal guarantee to a patchwork quilt of state programs.”